

**SUBSTITUTE FOR
HOUSE BILL NO. 4322**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 101 (MCL 388.1701), as amended by 2003 PA
158.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. (1) To be eligible to receive state aid under
2 this act, not later than the fifth Wednesday after the pupil
3 membership count day and not later than the fifth Wednesday after
4 the supplemental count day, each district superintendent through
5 the secretary of the district's board shall file with the
6 intermediate superintendent a certified and sworn copy of the
7 number of pupils enrolled and in regular daily attendance in the
8 district as of the pupil membership count day and as of the
9 supplemental count day, as applicable, for the current school
10 year. In addition, a district maintaining school during the

1 entire year, as ~~provided under~~ **described in** section 1561 of the
2 revised school code, MCL 380.1561, shall file with the
3 intermediate superintendent a certified and sworn copy of the
4 number of pupils enrolled and in regular daily attendance in the
5 district for the current school year pursuant to rules
6 promulgated by the superintendent. Not later than the seventh
7 Wednesday after the pupil membership count day and not later than
8 the seventh Wednesday after the supplemental count day, the
9 intermediate district shall transmit to the center the data filed
10 by each of its constituent districts. If a district fails to
11 file the sworn and certified copy with the intermediate
12 superintendent in a timely manner, as required under this
13 subsection, the intermediate district shall notify the department
14 and state aid due to be distributed under this act shall be
15 withheld from the defaulting district immediately, beginning with
16 the next payment after the failure and continuing with each
17 payment until the district complies with this subsection. If an
18 intermediate district fails to transmit the data in its
19 possession in a timely and accurate manner to the department, as
20 required under this subsection, state aid due to be distributed
21 under this act shall be withheld from the defaulting intermediate
22 district immediately, beginning with the next payment after the
23 failure and continuing with each payment until the intermediate
24 district complies with this subsection. If a district or
25 intermediate district does not comply with this subsection by the
26 end of the fiscal year, the district or intermediate district
27 forfeits the amount withheld. A person who willfully falsifies a

1 figure or statement in the certified and sworn copy of enrollment
2 ~~shall be punished in the manner~~ **is subject to penalties**
3 prescribed by section 161.

4 (2) To be eligible to receive state aid under this act, not
5 later than the twenty-fourth Wednesday after the pupil membership
6 count day and not later than the twenty-fourth Wednesday after
7 the supplemental count day, an intermediate district shall submit
8 to the center, in a form and manner prescribed by the center, the
9 audited enrollment and attendance data for the pupils of its
10 constituent districts and of the intermediate district. If an
11 intermediate district fails to transmit the audited data as
12 required under this subsection, state aid due to be distributed
13 under this act shall be withheld from the defaulting intermediate
14 district immediately, beginning with the next payment after the
15 failure and continuing with each payment until the intermediate
16 district complies with this subsection. If an intermediate
17 district does not comply with this subsection by the end of the
18 fiscal year, the intermediate district forfeits the amount
19 withheld.

20 (3) Except as otherwise provided in this section, each
21 district shall provide at least 1,098 hours of pupil
22 instruction. Except as otherwise provided in this act, a
23 district failing to comply with the required minimum hours of
24 pupil instruction under this subsection shall forfeit from its
25 total state aid allocation an amount determined by applying a
26 ratio of the number of hours the district was in noncompliance in
27 relation to the required minimum number of hours under this

1 subsection. Not later than August 1, the board of each district
 2 shall certify to the department the number of hours of pupil
 3 instruction in the previous school year. If the district did not
 4 provide at least the required minimum number of hours of pupil
 5 instruction under this subsection, the deduction of state aid
 6 shall be made in the following fiscal year from the first payment
 7 of state school aid. A district is not subject to forfeiture of
 8 funds under this subsection for a fiscal year in which a
 9 forfeiture was already imposed under subsection ~~-(6)-~~ (8). Hours
 10 lost because of strikes or teachers' conferences shall not be
 11 counted as days or hours of pupil instruction.

12 (4) A district not having at least 75% of the district's
 13 membership in attendance on any day of pupil instruction shall
 14 receive state aid in that proportion of 1/180 that the actual
 15 percent of attendance bears to the specified percentage.
 16 **However, this subsection does not apply to school attendance on**
 17 **the nationally recognized day to take daughters and sons to work.**

18 (5) The superintendent shall promulgate rules **he or she**
 19 **considers necessary** for the implementation of this ~~subsection~~
 20 **section.**

21 (6) ~~-(4)-~~ Except as otherwise provided in this subsection,
 22 the first 30 hours for which pupil instruction is not provided
 23 because of conditions not within the control of school
 24 authorities, such as severe storms, fires, epidemics, or health
 25 conditions as defined by the city, county, or state health
 26 authorities, shall be counted as hours of pupil instruction. ~~In~~
 27 ~~addition, for 2002-2003 only, the department shall count as days~~

1 ~~of pupil instruction not more than 5 additional days, and shall~~
2 ~~count as hours of pupil instruction not more than 30 hours, for~~
3 ~~which pupil instruction was not provided in a district from April~~
4 ~~3, 2003 to April 11, 2003 due to a storm.~~ Subsequent such hours
5 shall not be counted as hours of pupil instruction.

6 (7) ~~—(5)—~~ A district ~~shall~~ **does** not forfeit part of its
7 state aid appropriation because it adopts or has in existence an
8 alternative scheduling program for pupils in kindergarten if the
9 program provides at least the number of hours required under
10 subsection (3) for a full-time equated membership for a pupil in
11 kindergarten as provided under section 6(4).

12 (8) ~~—(6)—~~ Not later than April 15 of each fiscal year, the
13 board of each district shall certify to the department the
14 planned number of hours of pupil instruction in the district for
15 the school year ending in the fiscal year. In addition to any
16 other penalty or forfeiture under this section, if at any time
17 the department determines that 1 or more of the following has
18 occurred in a district, the district shall forfeit in the current
19 fiscal year beginning in the next payment to be calculated by the
20 department a proportion of the funds due to the district under
21 this act that is equal to the proportion below the required
22 minimum number of hours of pupil instruction under subsection
23 (3), as specified in the following:

24 (a) The district fails to operate its schools for at least
25 the required minimum number of hours of pupil instruction under
26 subsection (3) in a school year, including hours counted under
27 subsection ~~—(4)—~~ (6).

(b) The board of the district takes formal action not to operate its schools for at least the required minimum number of hours of pupil instruction under subsection (3) in a school year, including hours counted under subsection ~~-(4)-~~ (6).

(9) ~~-(7)-~~ In providing the minimum number of hours of pupil instruction required under subsection (3), a district shall use the following guidelines, and a district shall maintain records to substantiate its compliance with the following guidelines:

(a) Except as otherwise provided in this subsection, a pupil must be scheduled for at least the required minimum number of hours of instruction, excluding study halls, or at least the sum of 90 hours plus the required minimum number of hours of instruction, including up to 2 study halls.

(b) The time a pupil is assigned to any tutorial activity in a block schedule may be considered instructional time, unless that time is determined in an audit to be a study hall period.

(c) A pupil in grades 9 to 12 for whom a reduced schedule is determined to be in the individual pupil's best educational interest must be scheduled for a number of hours equal to at least 80% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil.

(d) If a pupil in grades 9 to 12 who is enrolled in a cooperative education program or a special education pupil cannot receive the required minimum number of hours of pupil instruction solely because of travel time between instructional sites during the school day, that travel time, up to a maximum of 3 hours per school week, shall be considered to be pupil instruction time for

1 the purpose of determining whether the pupil is receiving the
2 required minimum number of hours of pupil instruction. However,
3 if a district demonstrates to the satisfaction of the department
4 that the travel time limitation under this subdivision would
5 create undue costs or hardship to the district, the department
6 may consider more travel time to be pupil instruction time for
7 this purpose.

8 **(10)** ~~—(8)—~~ The department shall apply the guidelines under
9 subsection ~~—(7)—~~ **(9)** in calculating the full-time equivalency of
10 pupils.

11 **(11)** ~~—(9)—~~ Upon application by the district for a particular
12 fiscal year, the superintendent may waive for a district the
13 minimum number of hours of pupil instruction requirement of
14 subsection (3) for a department-approved alternative education
15 program. If a district applies for and receives a waiver under
16 this subsection and complies with the terms of the waiver, for
17 the fiscal year covered by the waiver the district is not subject
18 to forfeiture under this section for the specific program covered
19 by the waiver.

20 **(12)** ~~—(10)—~~ A district may count up to 51 hours of
21 professional development for teachers, including the 5 hours of
22 online professional development provided by the Michigan virtual
23 university under section 98, as hours of pupil instruction. A
24 district that elects to use this exception shall notify the
25 department of its election.